Q The service area of the station or whatever number of persons you represent to advertisers that are served by the stations approximately.

A Well, that depends on how big of an area that they're talking about because the service level kind of drops off the farther you get away from the station. But certainly the people that are closer in receive a much more consistent signal. The people that are farther out you don't reach as consistently.

Q What criterion do you personally use as to the .

level at which you will represent that listenership is reached?

A The listenership or the coverage area because they're two different things? In terms of the coverage area, I think it depends on what the advertiser is interested in. If the advertiser is interested primarily in the metropolitan coverage of the station and interested in reaching the metropolitan area then I can tell them what that is. If they are interested in reaching potential customers far out in the rural areas then we can estimate the extent of the potential rural coverage as well.

Q For a station like the Ft. Wayne, Indiana facility, generally what contour do you use?

A It would depend. I think the generally

accepted contour for AM is a half millivolt or something like that.

Q Okay. For the half millivolt contour what is the approximate population that's served by that facility?

A I would have to look at the promotional material. I couldn't tell you offhand. I could again estimate or guess but I would rather not do that.

Q Okay. For KQCB Oklahoma City, Oklahoma, what service area do you generally represent to persons served by that station?

A I believe what we represent to them is an estimate based on response that we've received from listeners, kind of an estimate based on responsiveness from different parts of the state.

Q And that is?

A I would have to look again. I don't know offhand.

Q Maybe I could just shortcut this a little bit.

Do you have any recollection concerning what numbers you've represented to advertisers in the past for any of these stations that you have done sales work for?

A I would have to look back in my records.

Again I think we're talking about ball park figures anyway in terms of approximately how many people the

station can reach potentially.

Q Sure, and you have no recollection of any of those?

A No, again I can estimate or I can give you guesses, but I can't tell you specifically.

Q I'm not asking specifically for that matter anyway. Your best recollection is all that I'm after.

A Of how many people each of the different stations reaches?

Q Yes.

A Okay, you're not asking for a technical number. You just want a guess.

Q Your best recollection of what you represent to advertisers as the coverage area as far as numbers are concerned.

A I would rather not hazard a guess.

JUDGE LUTON: He's not asking you to guess.

He's asking for your best recollection about what you represented, if you have such a recollection.

THE WITNESS: I would have to refer to the coverage maps of the stations and refer to the technical material. I don't think that that has been asked of me specifically in that way. I think people are more interested in how many people are listening to the station than how many people the signal potentially

Bott

1 reaches. 2 JUDGE LUTON: Go on to the next question. 3 BY MR. ALPERT: Okay, how many people listen to each of the Q 5 different stations? 6 I don't know. I couldn't tell you. A 7 Q Okay. We don't sell based on the numbers. 8 A 9 Broadcasting doesn't. What do you sell based on? 10 We sell based on the responsiveness of the 11 audience and the qualitative characteristics of the 12 demographics and the cycographics. It's much more of a 13 qualitative sell as opposed to a quantitative sale, so 14 that's probably why the numbers --15 Let's stop this right here. JUDGE LUTON: 16 17 Your next question please. 18 BY MR. ALPERT: In addition to being an officer and director 19 of the corporations, you are also an active participant 20 as an employee of those stations. Is that correct? 21 22 I'm an employee of the corporation. А Right. And you operate out of what city right 23 Q 24 now?

Independence.

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Q And you duties right now are basically what?

A I function as basically a general manager of the corporation in that I'm very responsible for the day-to-day activities of the entire company. Each of the station managers reports directly to me in the home office. I in turn report to the president of the company who is my father. He's responsible for more of the strategic decisions and the future of the company. I'm responsible for the day-to-day operations of the company.

Q Would it be fair to say that a large part of your broadcast experience has all been tied in with the Bott companies in the past?

A Yes, I've had a tremendous opportunity to gain a lot of experience in that way.

Q I notice from your direct testimony you kind of started out from the bottom as an announcer. Is that correct?

A Yes, when I was in high school I started out as an announcer.

Q And then from there you built up through what stages?

- A Do you want my past broadcast experience?
- Q Basically just in summary form.
- Q In high school I started off as an announcer.

After school I would go in to the radio station and serve as an announcer. I produced a once-a-week radio program. From there I went to college where I minored in radio and television. I majored in business administration. I worked at the campus station in areas of advertising, promotion and so forth.

Q I'm just really concentrating on the Bott organization right now as far as your experience going up through the ranks in the Bott organization.

A Okay, well, it's all tied together. After I graduated from college I managed an advertising agency for two years. Then I went to Harvard Business School and got my MBA. Following that I returned to Bott Broadcasting Company where I lived in Ft. Wayne, Indiana and managed the Ft. Wayne station. I was there about six months and then I moved back to Independence I believe in 1982. This is all a matter of record in my biographical statement.

Q These were all Bott properties, these last couple of jobs?

A Not in South Carolina, but in Ft. Wayne that was a Bott station. Yes. Then I moved back to Independence where I worked for Bott Broadcasting Company and had more responsibilities over the group of stations. More recently my responsibilities have

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expanded in that.

Q Would it be fair to say you're now one of the chief employees, chief operating managers or officials?

A I think it would be fair to say I'm in a very responsible position there.

Q Is that your only paid employment at the current time?

A Yes.

Q You mentioned that in the event that you obtain the Blackfoot facility you would not be resigning your positions as an officer or a director of either Bott Broadcasting or Bott Communications. Is that correct?

A I have not planned to.

Q And you would not be selling your stock interests or anything like that?

A In Bott Communications?

Q That's right.

A No, I have a 20 percent interest in Bott Communications. I plan to keep that.

Q You'll hold on to that. What intentions does the corporations have as far as replacing you in this key position once you leave?

A I assume they intend to hire a replacement for me.

JUDGE LUTON: Don't assume. Please don't assume.

BY MR. ALPERT:

- Q Have any steps been taken so far to replace you?
 - A Yes.
 - Q What steps?
- A I anticipated your next question probably. My father has been reviewing several resumes in that regard.
- Q Maybe this goes back to an earlier question, but do you intend to leave Bott Communications irregardless of the grant of this application or you only intending to leave Bott Communications --
 - A Do you mean Bott Broadcasting?
 - Q Yes, Bott Broadcasting.
- A If I could digress for a moment which will help clarify the question, I think, that you're asking. That is that the situation in Blackfoot represents an opportunity for me to get out into business on my own and to have my own radio station and build something for myself.
 - Q Just as the Central Valley facility is?
- A As my Central Valley facility, however, with the two of them I plan to hire a station manager or a

 general manager to mange that facility. Could you clarify your question?

JUDGE LUTON: If you don't understand the question --

THE WITNESS: I don't understand the question.

JUDGE LUTON: It isn't up to you to clarify
the question. If you don't understand the question,
wait until you get a clear one.

BY MR. ALPERT:

Q My question is: I understand that your testimony is that you intend to leave your employment position with Bott Broadcasting in the event you obtain this Blackfoot construction permit and you mentioned that your father has already begun interviewing persons to replace you.

- A No. he's reviewed resumes.
- Q Okay, reviewed resumes.
- A It's a little premature to interview people yet.
- Q Do you intend to leave Bott Broadcasting even in the event you do not obtain this construction permit and you left only with, as far as your sole ownership, your Central Valley permit?
- A No, I think Central Valley is a much simpler operation that could be managed from a distance. I

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wouldn't intend to move to Central Valley but if I was granted the Blackfoot application I would move there and have two stations I'd be responsible for.

O I'm only talking right now in the event you're not granted Blackfoot. So in the event you're not granted Blackfoot it's your intention then to continue to own and build and construct and operate the Central Valley facility where you would stay with Bott Broadcasting in your current employment position. That is your intention.

A That would be my intention. I suppose -- yes.

Q And in that event then the time and effort that your father is taking, whatever it might be as far as reviewing resumes right now, was merely anticipatory and would not be followed through on as far as actually hiring somebody to replace you?

A He wouldn't hire somebody to replace me unless I left.

Q Okay.

A I hope. I can't speak for him.

Q And he's reviewing those resumes even though you haven't resigned yet?

JUDGE LUTON: Move on, Mr. Alpert. This is playing around here.

BY MR. ALPERT:

 Right now I believe in your deposition testimony you testified that a part of your duties is basically to put out fires on occasion. When there is a problem at a specific station a lot of times there are situations where you needed to go to the other stations, basically help out or fix up a bad situation which has occurred management-wise or station-wise or whatever in order to set things right. Is that accurate?

A Yes, that is accurate. I think I also testified that fortunately through good management practices this hasn't been necessary very often.

Q As an officer and director of Rott Broadcasting, will you feel the same duty and obligation to help out and fix up organizations, the other stations' internal processes or whatever even in the event that you are not an employee of Bott Broadcasting?

A No. That was because that's what my job was to do.

Q You don't feel that that's in any way incident also to your position as an officer or director?

A To go to facilities? No. What you're talking about is being involved in the day-to-day operations of the company and being responsible to go put out fires and to correct things from management type of function. As a director and an officer we hire management people

to do those functions.

Broadcasting as an employee, a call goes out, oh this terrible thing is happening, Collierville, we need your help even though there are people out there. Rich, can you head out there and see if you can fix things up? You'd say no, sorry, I'm not an employee any more?

A As long as it would not affect my current work. I'm a compassionate person. I like to help out people in distress where appropriate, but it would not take any significant amount of my time at all.

- Q You would hope.
- A Well, it couldn't.
- Q Why couldn't it?
- A Because I couldn't do a good job with my primary responsibility.
 - Q Okay.
 - A I wouldn't allow it to.
- Q Okay. The format of the other stations that Bott Broadcasting currently owns is essentially what? How do you best describe it?

A As you characterized it in the deposition, it is essentially a religious-oriented format although I like to think that it's different from the way most religious stations are characterized. It's a format

that is designed to serve the needs and interests of families including their religious and spiritual needs but also a lot of information, news, talk, public affairs and so forth. So it's a blend of several different things including a good portion of religious programming.

Q Isn't it true that you also intend to engage in a similar sort of format for the Blackfoot facility?

A No, that's not necessarily true. I've not decided exactly the type of format, the type of music or whatever that I would use in that facility. It would be a format tailored to that particular market and the needs of that community.

Q But haven't representations been made to outsiders that that was going to be your format?

A I don't believe so.

Q Would it surprise you if it has?

JUDGE LUTON: What difference would it make?

MR. ALPERT: Well, I'm getting to that, Your Honor.

BY MR. ALPERT:

Q Isn't it true there are currently plans to program each of the Bott Broadcasting stations through satellite delivery of the facilities?

MR. FRIEDMAN: Object, relevance.

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MR. ALPERT: I think the relevance will be clear. This is a preliminary question.

JUDGE LUTON: Preliminary to what?

MR. ALFERT: Once I get the answer to this question, I think it will show.

JUDGE LUTON: Sustained. If you won't answer my questions I'm going to sustain the objection.

MR. ALPERT: I'll answer your question then, Your Honor, if it's not too late. Basically what I'm getting into is whether or not there's going to be any sort of — well actually, Your Honor, if I'm going to answer your question, I prefer the witness leave the room for just a moment.

MR. FRIEDMAN: We can take a side bar, Your Honor, if you'd like.

JUDGE LUTON: Please.

(Whereupon, off the record at 11:09 for a short recess.)

BY MR. ALPERT:

Q Isn't it correct to say that there are currently plans to ultimately satellite feed the programming to the various Bott Broadcasting stations by satellite or there's a portion of the programming done by satellite?

A Bott Broadcasting Company is looking into the

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technical possibility of delivering some programming especially in the nature of a talk show type of thing. No definite plans have been made in that regard. something that's a technological possibility at this time. It's something that they've investigated.

Would it be fair to say that your father has C) characterized it as sort of a dream of his to basically cut down on the costs of obtaining programming and to program each of the stations by virtue of the fact that programming could be delivered via satellite to the various stations?

It's speculation at this point. Clearly in the broadcast industry a lot of economical moves --

There was something in that JUDGE LUTON: Bott's father had Mr. about whether characterized this arrangement as a dream of his. Isn't that the way you started out?

MR. ALPERT: Yes, sir.

JUDGE LUTON: Do you want an answer to that? BY MR. ALPERT:

Isn't it true that your father has Yes. characterized this plan as kind of a dream of his to carry this out in order to cut back on various costs of obtaining programming and staffing costs at various stations?

A I don't know what his dreams are. He has speculated that isn't there some way that our company could utilize satellite to cut down on its costs of operations.

Q And isn't it true that he's actually looked into those possibilities to some extent?

A I don't know that he has. I think he's talked to some people maybe that are doing it.

Q Isn't it true that the stations are currently obtaining some satellite and that they currently have an up link?

A Yes. Well, they have a down link. We get quite a bit of our programming from different satellite services.

Q Are those simultaneously bought on behalf of all the various stations?

A Bought?

Q The rights to the programming from the satellite?

A That's one of my responsibilities it to make sure that the stations are programmed the way they should be. The news service that we get by satellite is a corporate decision and talk shows that the various stations receive off the satellite is a decision that emanates from the home office.

© Betting back to my question isn't it true that those programs are bought for the joint use of all the various stations?

A There's a contract for each station's use of the program.

Q And they regotiate it as a package?

A Can I get a quantity discount for buying five stations instead of one?

Q Yes, or at the very least you save time and effort of having to negotiate separate contracts to go to five different suppliers.

A I think in most cases each station is negotiated separately. I can think of maybe -- no, that's on tape. I don't think there's any quantity discounts involved.

Q Isn't it true that your father has basically taken a very strong approach, a very strong bit of activity, in deciding exactly which programs should go on the various Bott stations by virtue of his own personal philosophy of what constitutes appropriate religious—type programming?

A Very much so in the past. He's delegated a good bit of that to me at this point.

O Isn't it true that there have been some discussions already toward even obtaining some satellite

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programming for use by the Central Valley facility which you will own as well as the Blackfoot facility that you will own with your father?

See those would be No, I don't believe so. totally different from Bott Broadcasting and Bott My father has been a successful Communications. to go out and do businessman and my plan would be would be operated stations two My likewise. independently by me making my own programming decisions, utilizing the programming services that were available to me whether on tape, whether by satellite, whether we locally, but those would be totally create that independent decisions.

Q In the event that your father's plan is ultimately realized --

A Which plan?

I was about to get to that if you'll let me finish the question. In the event your father's plan is realized and he is able to obtain the satellite facility so that the programming of his stations could be at least jointly partially programmed through the use of satellite programming, in the event that you personally could realize savings —

MR. FRIEDMAN: Object, Your Honor. We've gone from a dream to a plan to a compound question.

JUDGE LUTON: To a very hypothetical one.
You're making it all up?

MR. ALPERT: Excuse me?

JUDGE LUTON: It sounds to me like you're making it all up. In the event, this, that and the other things. It's speculative. Start again.

BY MR. ALPERT:

Q Do you have any intention to utilize satellite programming in the course of your operations upon grant?

A That is one of the programming delivery services that is available nowadays and I would surely take a look at that.

Q Is that the reason that you will be able to get along with less than five employees?

A No. Some of the Bott Broadcasting stations that we operate use very little satellite and they have less than five full time employees. I think it's just good business and good management that helps keep the overhead down low.

Q So you're saying that you have no intention right now to engage in any satellite delivery of programming?

A I didn't say that.

MR. FRIEDMAN: Objection, he's mischaracterizing the testimony.

JUDGE LUTON: He's asking. Gverruled.

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THE WITNESS: I didn't say that I wouldn't consider satellite programming. There are a dozen or more different satellite services available to different radio stations at this time with various different formats, many different talk shows. Larry King Show, for instance, being one that's very good at night. So I would be foolish at this point to rule out the possibility of utilizing some satellite programming service.

BY MR. ALPERT:

Have there been any discussions at this time with your father concerning joining with him in obtaining satellite programming?

Only to the extent that the Bott Broadcasting stations receive a talk show by Marlin Maddox called Point of View that is a pretty good talk show; however, we think we could do a better talk show and there's some speculation of how much would be involved were we to get an up link or an arrangement to up link a talk show and do it separately.

- Are you saying you may carry that program for example?
 - A Excuse me?
 - So you're saying that you'd possibly carry Q

that program for example?

A On my stations?

Q Yes.

A That would be a program I would consider. Are you talking about Marlin Maddox?

Q Whichever program you were just referring to which you could produce better which you put on by satellite delivery?

A I'd have to hear the program and I'd have to make my own independent decision whether that was better or not.

Q Let me get back to my original question them. Have there been discussions concerning whether or not you would carry the programming that might be delivered by satellite for the benefit of Bott Broadcasting?

A No, nothing for the benefit of Bott Broadcasting.

Q You would not carry any broadcasting which is currently obtained for the benefit of Bott Broadcasting?

A Any programming that I would carry would be for my benefit and the stations and the communities that I serve.

Q Maybe you're misunderstanding my question.

JUDGE LUTON: Because you're asking two. You
ed first of all whether or not there had been

 discussions and then you grab on to part of his answer and say therefore you wouldn't consider using any of that program and you never got an answer to the first one about whether there had been discussions.

MR. ALPERT: Very good point.

BY MR. ALPERT:

Q Have there been discussions concerning whether or not you would carry the programming which is currently in the planning stages for Bott Broadcasting Company?

MR. FRIEDMAN: Objection, there's no predicate for this question.

JUDGE LUTON: You mean there is no statement that there have been discussions with him or what?

MR. FRIEDMAN: He's saying he's dealing with a program that is purportedly in the planning stage and Mr. Bott has never testified that any program is in the planning stage.

MR. ALPERT: I disagree. There has been testimony saying that there is that Matlin program which is being carried. They said that they thought they could do a better program.

JUDGE LUTON: That's right. Overruled.

THE WITNESS: Could you repeat the question again please? I think the thing that I have problems

with, you said the programming that has been planned and there's been no programming planned. There is some idle talk and some speculation as to whether or not we could

JUDGE LUTON: He'll start it again.

BY MR. ALPERT:

Q There have been discussions between you and your father concerning the fact that you believe that a program could be produced that could be better than the talk show which is currently being aired on the various Bott Broadcasting stations. Is that correct?

A I wouldn't characterize it that way. Let's say this particular talk show that we're referring which we receive by satellite on our various stations on occasion there have been programs that my father has been very disappointed with. He would say something to the effect that I wonder if we could do what Marlin Maddox is doing and do a better job of it? That's about the extent of the discussions in that regard. There has been some speculation that that might be a possibility. I think you're taking from that and going off.

JUDGE LUTON: That's all right. Don't argue with him. Just answer his questions.

BY MR. ALPERT:

Q So there have been discussions concerning the

possibility of actually following through with the production of a talk snow similar in format but better produced than this Matlin show?

A I'd say speculations would be a better characterization.

Q And isn't it true that there has been some speculation that in the event you get your own stations that that show would be carried on your stations as well?

A That would be one of the programming choices I would have to make.

- Q Of course, but there have been discussions?
- A Excuse me?
- Q Yes, I understand you'd have to make the decision but there have been discussions already.

A I think you're characterizing much, much farther than is in reality.

JUDGE LUTON: You don't like the word discussions. Is that it?

THE WITNESS: Yes, sir, I don't. If I could just say that my programming decisions are going to be my own decisions and I'm going to look at the programming sources that are available to me in addition to the programming that we're going to produce locally and make my decisions at the appropriate time. I think

you're making some very unfair allegations that have no basis.

BY MR. ALPERT:

Q So I still am not quite certain I received an answer to my question. There have been discussions concerning the possibility that you would carry this show?

JUDGE LUTON: Well, he wouldn't dignify whatever has gone on by calling it a discussion, so I guess if you press him to answer your question the answer would be no, there have not been discussions. There has been something less than discussions which is what I suppose you want to know.

BY MR. ALPERT:

Q If there have not been discussions, what have they been?

A I don't believe there have been any discussions as it relates to how I would program my stations. There have been discussions about what Bott Broadcasting, Bott Communications and so forth might do in the future sometime if it's technologically feasible, if it's economical, if it could perhaps be profitable to serve their stations with some satellite programming. On my own I've thought I want to do my own programming, do my own thing, run my own stations, run my own